

Fundraising Strategies Developed by MBA Students in Project-Based Learning Courses

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ABSTRACT

The ability to raise funds is a skill that most modern project managers need. While a good deal of literature exists on the strategies NGOs employ to raise funds for their operations, less attention has been paid to the strategies used by students involved in Project-Based Learning courses that often partner with NGOs. Fundraising is an important skill that not only provides students with opportunities for creativity, but also helps them develop the communication skills they will need in the work they do after they graduate. In this paper, we discuss the fundraising strategies developed by MBA students in 204 social projects completed between 2002 and 2014. The projects were done in partnership with 39 community partners in São Paulo, Brazil (NGOs and Public Institutions). In our study, we followed quantitative and qualitative research methods, analyzing data and documents from the projects' databases. We identified six different fundraising strategies: organizing raffles, soliciting donations from private corporations, organizing paying events, utilizing online social networks developing crowdfunding, and soliciting individual donations.

Keywords: Fundraising strategies, Project-Based learning, Project Management, Higher education.

DESCRIPTION OF CONTEXT

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From 2002 to 2014, the first author was a professor in the Project Management MBA offered by University of São Paulo, teaching the course “Project Simulation.” He used Project-Based Learning (PBL) methods in this course, which he taught forty-seven times over the course of twelve years. In total, the experience involved approximately 1,400 students and 39 community partners.

The MBA students were professionals with backgrounds primarily in business, engineering and information technology. All had at least five years of working experience.

In our PBL course, we worked closely with community partners who serve poor and disadvantaged people. These included NGOs and public institutions that help children and teenagers from poor families, orphans, abandoned elders, victims of sexual abuse, people suffering from disease (mainly cancer) and those with mental problems.

The community partners had real-world needs that they presented to us as “project themes”. The students chose a project theme and then worked in teams of five people, on average. Sometimes the institutions needed goods such as furniture, books, toys, or blankets. Occasionally they needed small repairs to be carried out on their facilities -- floor replacement, bathroom modifications, windows replacement, painting and so on. In other instances the community partners needed the creation of products such as websites, booklets or even databases. Now and then the partners needed help in improvement of their internal procedures. When this occurred, the students developed a consultancy project. Some project themes led the students to perform fundraising activities, while others did not.

We consider the ability to raise funds for a project is an important for our students. In the future, many of our students may work for NGOs, where the project managers are required to perform fundraising activities for the projects they work on. More than that, fundraising is a challenge: it offers the students the opportunity to develop creativity by finding strategies for obtaining resources for their projects. In addition, the fundraising activities provide opportunities for students to interact with private corporations, NGOs, and community members, interactions that help students improve their communication skills. Finally, fundraising is very important for our community partners, who use the funds raised by our students to continue their missions. It is a win-win situation: the students improve their skills empowering the community partners, consequently bringing benefits to the people assisted by them. This virtuous circle motivates the community partners to maintain their partnerships with the university.

THEORETICAL FRAMEWORK

Engaging students to work with the community is now part of university education (Carter et. Al, 2002). However, the creation of partnerships between universities and community partners is not easily accomplished. Although a partnership may bring benefits to both sides, it can involve tensions and conflicts (Strier, 2014). In addition to that, Dulmus & Cristalli (2011, p.2) ponder that university-community partnerships join together partners with diverse skills, knowledge, and expertise. According to Norris et. al. (2007, p. 27):

Building relationships and effective collaboration require time, patience, physical presence, respect, and commitment—elements frequently in short supply in a busy academic environment.

Kennedy (1999, p. 197) reports that university-community partnerships can range from simple, low-cost projects to multiyear, grant-funded initiatives. Partnerships can bring benefits and opportunity to all involved (Buys & Bursnall, 2007)(Sandy & Holland, 2006). As Striers notes (2014, p.155):

Both universities and communities see these joint ventures as opportunities to achieve different goals. Universities see them as expressions of ‘engaged scholarship’, by means of which academic institutions can reinvigorate their academic missions. For their part, communities look at these enterprises as means to advance their social agendas.

One way of advancing the social agenda of community partners is to provide the material and equipment they need to work better. Academic projects with fundraising activities can be a good way of developing the project management skills of the students and strengthening the community partners.

Models and theories about project fundraising abound on the literature on NGOs (Pereira, 2001), (de Camargo, 2002). NGOs usually raise funds from individuals, companies, foundations (national and international), churches, governments, and by holding events (Cruz & Estraviz, 2000). NGOs create fundraising action plans and follow them in a systematic way, establishing goals and monitoring and controlling the activities developed in order to reach those goals. Although the aforementioned literature covers the different aspects of fundraising in the context of projects accomplished by NGOs, there is a lack of information about fundraising activities accomplished by students, in the context of university-NGOs partnerships developed in PBL courses. This case study aims to address this lack.

CONCRETE IMPLEMENTATION AND ACTIONS

During our courses, we allowed the students to have voice and choice. They were free to choose the project theme from any community partner. The students were also free to choose the fundraising strategy they considered to be most adequate to the problem they faced. In this case study we will focus on six fundraising activities performed by the students:

1. Organizing raffles
2. Obtaining donations from companies
3. Organizing events
4. Using online social networks
5. Crowdfunding
6. Asking individuals directly for donations

We will present each strategy and provide examples of how each was incorporated into the project.

Strategy one: Organizing raffles

Selling raffles tickets was, by far, the strategy that students liked most. Selling raffle tickets is easy to manage: students can plan the number of necessary tickets and establish sales goals for each team member. While this is a low risk strategy, it is an activity that is time consuming and labor intensive. The individual results of these activities usually depend on the personal network of each team member. Some team members were able to sell their share of tickets rapidly and even help the others to sell theirs. Other students had problems meeting the goals they had set.

One good example of use of this strategy occurred in project done for the benefit of an orphanage. The orphanage needed a mini-van to transport children between their facilities to the schools. In Brazil, the price of vehicles is very high, because of taxes. In order to obtain the necessary funds, the students organized a series of raffles, with clearly-defined sales goals. Using this strategy, they raised the money they needed.

Strategy two: Obtaining donations from private corporations.

This strategy was very effective. Students obtained donations from both big companies, and pools of smaller companies. We will give a few examples of how it worked.

In one project, the students formally asked for support of a big company in the automotive industry. They followed the internal procedures of this company, presenting the project's objectives, the needs of the client and all information the company required. The students asked for a donation of approximately 2,500 dollars. The social responsibility department of the company analyzed the request carefully. They set up meetings with the students, asked for more detailed information about project and wanted to know the steps that the students would

take if the resources were given. Satisfied with the information they received, the company decided to give the students approximately three times the amount asked. The only condition was that the students should talk to the NGO in order to increase the project's scope.

In another project, the students were working with the hemophilia team (doctors, social workers, nurses, psychologists and physiotherapists) of the hospital of the University of São Paulo. It was a complex project: the students were challenged to organize a set of educational activities with patients (hemophiliac children) and the hemophilia team, in a camping event that would last one weekend. There were multiple needs: the students had to find a suitable place, obtain the means of transportation, provide food, bed linens, toothpaste and toothbrushes, and towels to the patients. The students approached a pool of companies. One company provided the camping location, a small farm with lodges and sport facilities (swimming pool, ball courts) and classrooms. Another company provided one bus to transport the students, the patients, and the hemophilia team. Two other companies provided the food and the linens.

One very interesting project was accomplished by a project team that worked with an NGO that helps the homeless. The NGO welcomes the homeless and shelters them on a farm where they receive all necessary assistance: food, medical treatment, work orientation, clothes, psychological support and treatment for addiction. The NGO asked students for one ton of food, enough to support one month of their activities. The students developed a partnership with a supermarket. They proposed a win-win situation: the students would help the supermarket to improve the sales of its products, asking the clients to buy an additional amount of food for the NGO. In exchange, the supermarket would help the students to obtain donations of food. The whole action was accomplished in one weekend. The supermarket used an announcer to publicize quick promotions. The agreement with the students was that this announcer would also mention the students' projects and their needs. After the customers checked out, students would request donations from them. In this project, everyone involved won: the supermarket customers, eager to participate in social projects, were able to do it in a simple way, by donating a small amount of food. The supermarket improved its sales. The students collected not merely one ton of food, but seven.

Several other projects involved donations from small companies. For example, in one project the students were able to obtain the donation of a sewing machine. In another project, the students received the donation of several used computers from a school. In another project the students received donations of books from public libraries and from private schools.

Strategy three: organizing events

This strategy is very interesting, for it worked as a project within a project. We will illustrate with few examples.

In one project, the students chose to help an orphanage. The institution needed money to finish a major building repair. The students wanted to help, but also wanted to have some fun doing so. They contacted a live music bar and offered a partnership. One of the students on this project team was a member of a band. The band proposed to the bar owner that they would play for free one Saturday night in the bar. In exchange, the bar owners would give the team half the money earned from this show. That was memorable night: the students obtained the necessary resources and had a lot of fun doing so.

In another project, the students wanted to help a retirement home for abandoned elders. The institution needed to provide each elder with a kit of hygiene products (shampoo, toothpaste, deodorant, soap, toothbrush, moisturizing creams, body powder). The students decided to organize an “Project Management Workshop”. The students divulged the workshop to their colleagues of work. The students exchanged workshops' entrance tickets by material donation. They also received help from a bank that provided for free an auditorium for workshop's realization. This strategy worked as planned, an the project was a success.

Another interesting project involved the realization of a party. In Brazil, during the months of June and July, there are traditional festivals called “June Parties.” The participants at those parties traditionally dress in festive clothes and eat traditional food. The students decided to create a June Party and sold tickets. The project achieved its goals.

A similar idea was followed by another team, who set up a formal dinner, and sold tickets to the event.

Strategy four: Using online social networks

In recent years, the students have used online social networks such as Facebook as a source of donations. The results varied: some groups obtained part of the resources they needed, while others did not. The outcome has to do with the strength of the connections that each student had. However, the best results came when students disseminated information about the project on social networks but asked for resources in face-to-face meetings.

Strategy five: Crowdfunding

The use of crowdfunding has not worked so far. When the students followed this strategy they did not obtain the necessary funds. It may be that since the projects they worked on lasted only twelve weeks, time was too short to rely on crowdfunding alone. The crowdfunding organizations that students chose to work with usually needed more than 12 weeks to analyze the project and to provide the necessary funds. The students have not yet found crowdfunding organizations that can help meet the projects' demands.

Strategy six: Asking directly for donations from individuals

In some projects, the students decided not to spend time organizing raffles but asked directly for donations from wealthy or powerful people within their social networks. Together, the students created a list of potential donors and developed an approach strategy. The students contacted the potential donors directly, by setting meetings. During the meetings the students formally presented their project, describing the actions of the NGOs on behalf of people in need and explaining the benefits of the partnerships between the NGOs and the university. They also presented the project's blog, talked about the results achieved so far, and then, at the end of meeting, gently asked if the potential donor would like to contribute to the project. This strategy has worked very well.

RESULTS AND DISCUSSION

Between 2002 and 2014 we accomplished 204 projects. In 76 projects, raffles were the primary fundraising activity. In 68 projects the students obtained the resources they needed from donations of companies, and in 50 projects the resources came from individual donations. Ten projects were accomplished using resources obtained from events. In many projects, however, the students used more than one strategy. We estimate the projects brought to NGOs approximately half million of dollars in goods and services.

Analyzing the fundraising results, we can say that all strategies worked effectively except for the strategy of crowd funding.

REFLECTIONS

Reflecting on our experience and analyzing the data we have collected, we can share with the PBL community ten lessons learned:

1. Give freedom to the students to follow the fundraising strategy they prefer. The students should develop their strategy by themselves; it is part of the learning process.
2. Provide the students with the information (documents, pictures, videos) about previous years' projects. In our experiment, the students had access to previous years' documents, available in blogs created by teams of students who had preceded them. It is important for students to learn about prior strategies followed and the results achieved.
3. Reserve one lecture only to discuss with the students the previous years' strategies. One lecture can give them ideas and reduce their anxiety and tension about the project they are doing.

4. Encourage the students to use more than one fundraising strategy simultaneously. The combined use of strategies reduces the probability of failure, especially if one strategy does not work successfully.
5. Pay attention to the community partner's expectations of the project's scope. Over-ambitious estimates could generate tension between students and partners.
6. Create an official letter in the name of the university that students can give to potential donors. This letter should inform donors that the students are working on academic projects and that all resources obtained will be designated to institutions that work with people in need.
7. Ask the community partners to bring project some themes that do not require fundraising. This is important, because the students should not be obliged to work in fundraising if they do not feel comfortable with it.
8. Discuss with community partners which topics are appropriate for projects. Very simple themes should be avoided.
9. Ask the community partners to establish an order of priorities for the topics proposed to the students. In other words, the most urgent needs should be on the top of the project theme list.
10. Challenge the students to choose the more difficult projects. In our experience, the students learn more when face complex fundraising and other challenges.

CONCLUSION

Fundraising is a very important skill of modern project managers. Project management courses should give students the opportunity to develop these abilities. Working with NGOs that help people in need was a good way to provide the students with a valuable educational experience while at the same time developing their social conscience.

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